



Jim Doyle, Governor  
Sean Dilweg, Commissioner

Wisconsin.gov

# State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

January 8, 2007

**Legal Unit**  
125 South Webster Street  
Madison, Wisconsin 53702  
P.O. Box 7873  
Madison, Wisconsin 53707-7873  
Phone: (608) 267-9586 • Fax: (608) 264-6228  
E-Mail: legal@oci.state.wi.us

## Report From Agency

REPORT ON Section Ins 9.25 (8) and 9.27 (4), Wis.  
Adm. Code, relating to preferred provider plan  
applicability dates and affecting small business

### Clearinghouse Rule No 06-118

Submitted Under s. 227.19 (3), Stats.

(The proposed rule-making order is attached.)

**(a) A detailed statement of basis for the proposed rule and how the rule advances relevant statutory goals or purposes:**

The proposed rule clarifies the applicability dates for ss. Ins 9.25 and 9.27, Wis. Adm. Code, and specifies that insurers offering preferred provider plans that are issued prior to January 1, 2007 and periodically renewed after December 31, 2006 and that would otherwise be affected by ss. Ins 9.25 and 9.27, Wis. Adm. Code, will be grandfathered from compliance with the new requirements. The requirements of ss. Ins 9.25 and 9.27, Wis. Adm. Code, will be applicable to an insurer offering a preferred provider plan on or after January 1, 2007.

**(b) Summary of the public comments and the agency's responses to those comments:** None were received.

**(c) An explanation of any modifications made in proposed rule as a result of public comments or testimony received at a public hearing:**  
None.

**(d) Persons who appeared or registered regarding the proposed rule:**

**Appearances For:** None

**Appearances Against:** None

**Appearances For Information:** None

**Registrations For:** None

**Registrations Against:** None

**Registrations Neither for nor against:**

Paul Merline, Wisconsin Association of Health Plans

**Letters received:** None

**(e) An explanation of any changes made to the plain language analysis of the rule under s. 227.14(2) or to any fiscal estimate prepared under s. 227.14(4).**

None

**(f) The response to the Legislative Council staff recommendations indicating acceptance of the recommendations and a specific reason for rejecting any recommendation:**

All comments were complied with and corrected except the following:

Comment Section 1 requests no modifications but rather a response as to whether the Legislative Council's interpretation is accurate. In response the Office notes that the language in question was specifically provided to the Office by the Joint Committee for Review of Administrative Rules. The Office disagrees with Legislative Council's comment that only a court can make a determination of statutory interpretation regarding Wis. Stat. § 609.35, as this agency is charged with interpreting and implementing Wis. Stats. §§ 600-655 pursuant to Wis. Stat. § 601.41 (1).

**(g) The response to the report prepared by the small business regulatory review board:**

The small business regulatory review board did not prepare a report.

**(h) Final Regulatory Flexibility Analysis**

A Final Regulatory Flexibility Analysis is not required because the rule will not have a significant economic impact on a substantial number of small businesses. The proposed rule does not impose any additional reporting requirements on small businesses. The proposed rule does not require any significant additional measures or investments by small businesses.

**(i) Fiscal Effect**

See fiscal estimate attached to proposed rule.

Attachment: Legislative Council Staff Recommendations  
January 11, 2007